

106TH CONGRESS
1ST SESSION

S. 1452

To modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

IN THE SENATE OF THE UNITED STATES

JULY 28, 1999

Mr. SHELBY (for himself, Mr. BAYH, Mr. BRYAN, Mr. ROCKEFELLER, and Mr. BINGAMAN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND REFERENCES.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Manufactured Housing Improvement Act”.

1 (b) REFERENCES.—Whenever in this Act an amend-
2 ment is expressed in terms of an amendment to, or repeal
3 of, a section or other provision, the reference shall be con-
4 sidered to be made to that section or other provision of
5 the National Manufactured Housing Construction and
6 Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

7 **SEC. 2. FINDINGS AND PURPOSES.**

8 Section 602 (42 U.S.C. 5401) is amended to read as
9 follows:

10 “FINDINGS AND PURPOSES

11 “SEC. 602. (a) FINDINGS.—Congress finds that—

12 “(1) manufactured housing plays a vital role in
13 meeting the housing needs of the Nation; and

14 “(2) manufactured homes provide a significant
15 resource for affordable homeownership and rental
16 housing accessible to all Americans.

17 “(b) PURPOSES.—The purposes of this Act are—

18 “(1) to facilitate the acceptance of the quality,
19 durability, safety, and affordability of manufactured
20 housing within the Department of Housing and
21 Urban Development;

22 “(2) to facilitate the availability of affordable
23 manufactured homes and to increase homeownership
24 for all Americans;

1 “(3) to provide for the establishment of prac-
 2 tical, uniform, and, to the extent possible, perform-
 3 ance-based Federal construction standards;

4 “(4) to encourage innovative and cost-effective
 5 construction techniques;

6 “(5) to protect owners of manufactured homes
 7 from unreasonable risk of personal injury and prop-
 8 erty damage;

9 “(6) to establish a balanced consensus process
 10 for the development, revision, and interpretation of
 11 Federal construction and safety standards for manu-
 12 factured homes and related regulations for the en-
 13 forcement of such standards;

14 “(7) to ensure uniform and effective enforce-
 15 ment of Federal construction and safety standards
 16 for manufactured homes; and

17 “(8) to ensure that the public interest in, and
 18 need for, affordable manufactured housing is duly
 19 considered in all determinations relating to the Fed-
 20 eral standards and their enforcement.”.

21 **SEC. 3. DEFINITIONS.**

22 (a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is
 23 amended—

24 (1) in paragraph (2), by striking “dealer” and
 25 inserting “retailer”;

1 (2) in paragraph (12), by striking “and” at the
2 end;

3 (3) in paragraph (13), by striking the period at
4 the end and inserting a semicolon; and

5 (4) by adding at the end the following:

6 “(14) ‘administering organization’ means the
7 recognized, voluntary, private sector, unitary con-
8 sensus standards body with specific experience in de-
9 veloping model residential building codes and stand-
10 ards involving all disciplines regarding construction
11 and safety that administers the consensus standards
12 through a unitary development process;

13 “(15) ‘consensus committee’ means the com-
14 mittee established under section 604(a)(3);

15 “(16) ‘consensus standards development proc-
16 ess’ means the process by which additions, revisions,
17 and interpretations to the Federal manufactured
18 home construction and safety standards and enforce-
19 ment regulations shall be developed and rec-
20 ommended to the Secretary by a unitary consensus
21 committee, which shall function as a single com-
22 mittee;

23 “(17) ‘primary inspection agency’ means a
24 State agency or private organization that has been
25 approved by the Secretary to act as a design ap-

1 proval primary inspection agency or a production in-
 2 spection primary inspection agency, or both;

3 “(18) ‘design approval primary inspection agen-
 4 cy’ means a State agency or private organization
 5 that has been approved by the Secretary to evaluate
 6 and either approve or disapprove manufactured
 7 home designs and quality control procedures;

8 “(19) ‘production inspection primary inspection
 9 agency’ means a State agency or private organiza-
 10 tion that has been approved by the Secretary to
 11 evaluate the ability of manufactured home manufac-
 12 turing plants to comply with approved quality con-
 13 trol procedures and with the Federal manufactured
 14 home construction and safety standards promulgated
 15 hereunder; and

16 “(20) ‘monitoring’—

17 “(A) means the process of periodic review
 18 of the primary inspection agencies, by the Sec-
 19 retary or by a State agency under an approved
 20 State plan pursuant to section 623, in accord-
 21 ance with regulations recommended by the con-
 22 sensus committee and promulgated in accord-
 23 ance with section 604(b), which process shall be
 24 for the purpose of ensuring that the primary in-

1 speciation agencies are discharging their duties
2 under this title; and

3 “(B) may include the periodic inspection of
4 retail locations for transit damage, label tam-
5 pering, and retailer compliance with this title.”.

6 (b) CONFORMING AMENDMENTS.—The National
7 Manufactured Housing Construction and Safety Stand-
8 ards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

9 (1) in section 613 (42 U.S.C. 5412), by striking
10 “dealer” each place it appears and inserting “re-
11 tailer”;

12 (2) in section 614(f) (42 U.S.C. 5413(f)), by
13 striking “dealer” each place it appears and inserting
14 “retailer”;

15 (3) in section 615 (42 U.S.C. 5414)—

16 (A) in subsection (b)(1), by striking “deal-
17 er” and inserting “retailer”;

18 (B) in subsection (b)(3), by striking “deal-
19 er or dealers” and inserting “retailer or retail-
20 ers”; and

21 (C) in subsections (d) and (f), by striking
22 “dealers” each place it appears and inserting
23 “retailers”;

24 (4) in section 616 (42 U.S.C. 5415), by striking
25 “dealer” and inserting “retailer”; and

1 (5) in section 623(c)(9), by striking “dealers”
 2 and inserting “retailers”.

3 **SEC. 4. FEDERAL MANUFACTURED HOME CONSTRUCTION**
 4 **AND SAFETY STANDARDS.**

5 Section 604 (42 U.S.C. 5403) is amended—

6 (1) by striking subsections (a) and (b) and in-
 7 serting the following:

8 “(a) ESTABLISHMENT.—

9 “(1) AUTHORITY.—The Secretary shall estab-
 10 lish, by order, appropriate Federal manufactured
 11 home construction and safety standards, each of
 12 which—

13 “(A) shall—

14 “(i) be reasonable and practical;

15 “(ii) meet high standards of protec-
 16 tion consistent with the enumerated pur-
 17 poses of this title; and

18 “(iii) be performance-based and objec-
 19 tively stated, unless clearly inappropriate;
 20 and

21 “(B) except as provided in subsection (b),
 22 shall be established in accordance with the con-
 23 sensus standards development process.

24 “(2) CONSENSUS STANDARDS AND REGU-
 25 LATORY DEVELOPMENT PROCESS.—

1 “(A) INITIAL AGREEMENT.—Not later
2 than 180 days after the date of enactment of
3 the Manufactured Housing Improvement Act,
4 the Secretary shall enter into a contract with
5 an administering organization. The contractual
6 agreement shall—

7 “(i) terminate on the date on which a
8 contract is entered into under subpara-
9 graph (B); and

10 “(ii) require the administering organi-
11 zation to—

12 “(I) appoint the initial members
13 of the consensus committee under
14 paragraph (3);

15 “(II) administer the consensus
16 standards development process until
17 the termination of that agreement;
18 and

19 “(III) administer the consensus
20 development and interpretation proc-
21 ess for procedural and enforcement
22 regulations and regulations specifying
23 the permissible scope and conduct of
24 monitoring until the termination of
25 that agreement.

1 “(B) COMPETITIVELY PROCURED CON-
2 TRACT.—Upon the expiration of the 4-year pe-
3 riod beginning on the date on which all mem-
4 bers of the consensus committee are appointed
5 under paragraph (3), the Secretary shall, using
6 competitive procedures (as such term is defined
7 in section 4 of the Office of Federal Procure-
8 ment Policy Act), enter into a competitively
9 awarded contract with an administering organi-
10 zation. The administering organization shall ad-
11 minister the consensus process for the develop-
12 ment and interpretation of the Federal stand-
13 ards, the procedural and enforcement regula-
14 tions, and regulations specifying the permissible
15 scope and conduct of monitoring in accordance
16 with this title.

17 “(C) PERFORMANCE REVIEW.—The
18 Secretary—

19 “(i) shall periodically review the per-
20 formance of the administering organiza-
21 tion; and

22 “(ii) may replace the administering
23 organization with another qualified tech-
24 nical or building code organization, pursu-
25 ant to competitive procedures, if the Sec-

retary determines in writing that the administering organization is not fulfilling the terms of the agreement or contract to which the administering organization is subject or upon the expiration of the agreement or contract.

“(3) CONSENSUS COMMITTEE.—

“(A) PURPOSE.—There is established a committee to be known as the ‘consensus committee’, which shall, in accordance with this title—

“(i) provide periodic recommendations to the Secretary to adopt, revise, and interpret the Federal manufactured housing construction and safety standards in accordance with this subsection;

“(ii) provide periodic recommendations to the Secretary to adopt, revise, and interpret the procedural and enforcement regulations, including regulations specifying the permissible scope and conduct of monitoring in accordance with this subsection; and

“(iii) be organized and carry out its business in a manner that guarantees a

1 fair opportunity for the expression and
2 consideration of various positions and for
3 public participation.

4 “(B) MEMBERSHIP.—The consensus com-
5 mittee shall be composed of—

6 “(i) 25 voting members appointed,
7 subject to approval by the Secretary, by
8 the administering organization from among
9 individuals who are qualified by back-
10 ground and experience to participate in the
11 work of the consensus committee; and

12 “(ii) 1 member appointed by the Sec-
13 retary to represent the Secretary on the
14 consensus committee, who shall be a non-
15 voting member.

16 “(C) DISAPPROVAL.—The Secretary may
17 disapprove, in writing with the reasons set
18 forth, the appointment of an individual under
19 subparagraph (B)(i).

20 “(D) SELECTION PROCEDURES AND RE-
21 QUIREMENTS.—Each member shall be ap-
22 pointed in accordance with selection procedures,
23 which shall be based on the procedures for con-
24 sensus committees promulgated by the Amer-
25 ican National Standards Institute (or successor

organization), except that the American National Standards Institute interest categories shall be modified for purposes of this paragraph to ensure equal representation on the consensus committee of the following interest categories:

“(i) HOME PRODUCERS.—Five persons representing manufacturers of manufactured homes.

“(ii) OTHER BUSINESS INTERESTS.—Five persons representing other business interests involved in the manufactured housing industry such as retailers, installers, lenders, insurers, suppliers of products, and community owners. The business interests represented in this category shall not be owned or controlled by manufacturers represented under clause (i).

“(iii) CONSUMERS.—Five persons representing homeowners and consumer interests, such as consumer organizations, community organizations, recognized consumer leaders, and owners and occupants of manufactured homes.

“(iv) PUBLIC OFFICIALS.—Five persons who are State or local officials such

1 as building code enforcement or inspection
2 officials, fire marshals, and including rep-
3 resentatives of State administrative agen-
4 cies.

5 “(v) GENERAL INTEREST.—Five per-
6 sons representing the public such as archi-
7 tects, engineers, homebuilders, academi-
8 cians, and developers.

9 “(E) ADDITIONAL QUALIFICATIONS.—An
10 individual appointed under clause (iii), (iv), or
11 (v) of subparagraph (D) shall not have—

12 “(i) a significant financial interest in
13 any segment of the manufactured housing
14 industry; or

15 “(ii) a significant relationship to any
16 person engaged in the manufactured hous-
17 ing industry.

18 “(F) MEETINGS.—

19 “(i) NOTICE; OPEN TO PUBLIC.—The
20 consensus committee shall provide advance
21 notice of each meeting of the consensus
22 committee to the Secretary and publish ad-
23 vance notice of each such meeting in the
24 Federal Register. All meetings of the con-

1 sensus committee shall be open to the pub-
2 lic.

3 “(ii) REIMBURSEMENT.—Members of
4 the consensus committee in attendance at
5 the meetings shall be reimbursed for their
6 actual expenses as authorized by section
7 5703 of title 5, United States Code, for
8 persons employed intermittently in Govern-
9 ment service.

10 “(G) INAPPLICABILITY OF OTHER LAWS.—

11 “(i) ADVISORY COMMITTEE ACT.—The
12 consensus committee shall not be consid-
13 ered to be an advisory committee for pur-
14 poses of the Federal Advisory Committee
15 Act.

16 “(ii) TITLE 18.—The members of the
17 consensus committee shall not be subject
18 to section 203, 205, 207, or 208 of title
19 18, United States Code, to the extent of
20 their proper participation as members of
21 the consensus committee.

22 “(iii) ETHICS IN GOVERNMENT ACT
23 OF 1978.—The Ethics in Government Act
24 of 1978 shall not apply to members of the
25 consensus committee to the extent of their

1 proper participation as members of the
2 consensus committee.

3 “(H) ADMINISTRATION.—The consensus
4 committee and the administering organization
5 shall—

6 “(i) operate in conformance with the
7 procedures established by the American
8 National Standards Institute for the devel-
9 opment and coordination of American Na-
10 tional Standards; and

11 “(ii) apply to the American National
12 Standards Institute and take such other
13 actions as may be necessary to obtain ac-
14 creditation from the American National
15 Standards Institute.

16 “(I) STAFF.—The administering organiza-
17 tion shall, upon the request of the consensus
18 committee, provide reasonable staff resources to
19 the consensus committee.

20 “(J) DATE OF INITIAL APPOINTMENTS.—
21 The initial appointments of all of the members
22 of the consensus committee shall be completed
23 not later than 90 days after the date on which
24 an administration agreement under paragraph

1 (2)(A) is completed with the administering or-
 2 ganization.

3 “(4) REVISIONS OF STANDARDS AND REGULA-
 4 TIONS.—

5 “(A) IN GENERAL.—Beginning on the date
 6 on which all members of the consensus com-
 7 mittee are appointed under paragraph (3), the
 8 consensus committee shall, not less than once
 9 during each 2-year period—

10 “(i) consider revisions to the Federal
 11 manufactured home construction and safe-
 12 ty standards and regulations; and

13 “(ii) submit proposed revised stand-
 14 ards and regulations if approved by a $\frac{2}{3}$
 15 majority vote to the Secretary in the form
 16 of a proposed rule, including an economic
 17 analysis.

18 “(B) PUBLICATION OF PROPOSED REVISED
 19 STANDARDS AND REGULATIONS.—

20 “(i) PUBLICATION BY SECRETARY.—

21 The consensus committee shall provide a
 22 proposed revised standard or regulation
 23 under subparagraph (A)(ii) to the Sec-
 24 retary who shall, not later than 30 days
 25 after receipt, publish such proposed revised

1 standard or regulation in the Federal Reg-
2 ister for notice and comment. Unless
3 clause (ii) applies, the Secretary shall pro-
4 vide an opportunity for public comment on
5 such proposed revised standard or regula-
6 tion and any such comments shall be sub-
7 mitted directly to the consensus committee
8 without delay.

9 “(ii) PUBLICATION OF REJECTED
10 PROPOSED REVISED STANDARDS AND REG-
11 ULATIONS.—If the Secretary rejects the
12 proposed revised standard or regulation,
13 the Secretary shall publish the rejected
14 proposed revised standard or regulation in
15 the Federal Register with the reasons for
16 rejection and any recommended modifica-
17 tions set forth.

18 “(C) PRESENTATION OF PUBLIC COM-
19 MENTS; PUBLICATION OF RECOMMENDED REVI-
20 SIONS.—

21 “(i) PRESENTATION.—Any public
22 comments, views, and objections to a pro-
23 posed revised standard or regulation pub-
24 lished under subparagraph (B) shall be
25 presented by the Secretary to the con-

1 sensus committee upon their receipt and in
2 the manner received, in accordance with
3 procedures established by the American
4 National Standards Institute.

5 “(ii) PUBLICATION BY THE SEC-
6 RETARY.—The consensus committee shall
7 provide to the Secretary any revisions pro-
8 posed by the consensus committee, which
9 the Secretary shall, not later than 7 cal-
10 endar days after receipt, cause to be pub-
11 lished in the Federal Register as a notice
12 of the recommended revisions of the con-
13 sensus committee to the standards or regu-
14 lations, a notice of the submission of the
15 recommended revisions to the Secretary,
16 and a description of the circumstances
17 under which the proposed revised stand-
18 ards or regulations could become effective.

19 “(iii) PUBLICATION OF REJECTED
20 PROPOSED REVISED STANDARDS AND REG-
21 ULATIONS.—If the Secretary rejects the
22 proposed revised standard or regulation,
23 the Secretary shall publish the rejected
24 proposed revised standard or regulation in
25 the Federal Register with the reasons for

1 rejection and any recommended modifica-
2 tions set forth.

3 “(5) REVIEW BY THE SECRETARY.—

4 “(A) IN GENERAL.—The Secretary shall
5 either adopt, modify, or reject a standard or
6 regulation, as submitted by the consensus com-
7 mittee under paragraph (4)(A).

8 “(B) TIMING.—Not later than 12 months
9 after the date on which a standard or regula-
10 tion is submitted to the Secretary by the con-
11 sensus committee, the Secretary shall take ac-
12 tion regarding such standard or regulation
13 under subparagraph (C).

14 “(C) PROCEDURES.—If the Secretary—

15 “(i) adopts a standard or regulation
16 recommended by the consensus committee,
17 the Secretary shall—

18 “(I) issue a final order without
19 further rulemaking; and

20 “(II) cause the final order to be
21 published in the Federal Register;

22 “(ii) determines that any standard or
23 regulation should be rejected, the Secretary
24 shall—

1 “(I) reject the standard or regu-
2 lation; and

3 “(II) cause to be published in the
4 Federal Register a notice to that ef-
5 fect, together with the reason or rea-
6 sons for rejecting the proposed stand-
7 ard or regulation; or

8 “(iii) determines that a standard or
9 regulation recommended by the consensus
10 committee should be modified, the Sec-
11 retary shall—

12 “(I) cause the proposed modified
13 standard or regulation to be published
14 in the Federal Register, together with
15 an explanation of the reason or rea-
16 sons for the determination of the Sec-
17 retary; and

18 “(II) provide an opportunity for
19 public comment in accordance with
20 section 553 of title 5, United States
21 Code.

22 “(D) FINAL ORDER.—Any final standard
23 or regulation under this paragraph shall become
24 effective pursuant to subsection (c).

1 “(6) FAILURE TO ACT.—If the Secretary fails
2 to take final action under paragraph (5) and to pub-
3 lish notice of the action in the Federal Register be-
4 fore the expiration of the 12-month period beginning
5 on the date on which the proposed standard or regu-
6 lation is submitted to the Secretary under paragraph
7 (4)(A)—

8 “(A) the recommendations of the con-
9 sensus committee—

10 “(i) shall be considered to have been
11 adopted by the Secretary; and

12 “(ii) shall take effect upon the expira-
13 tion of the 180-day period that begins
14 upon the conclusion of such 12-month pe-
15 riod; and

16 “(B) not later than 10 days after the expi-
17 ration of such 12-month period, the Secretary
18 shall cause to be published in the Federal Reg-
19 ister a notice of the failure of the Secretary to
20 act, the revised standard or regulation, and the
21 effective date of the revised standard or regula-
22 tion, which notice shall be deemed to be an
23 order of the Secretary approving the revised
24 standards or regulations proposed by the con-
25 sensus committee.

1 “(b) OTHER ORDERS.—

2 “(1) INTERPRETATIVE BULLETINS.—The Sec-
3 retary may issue interpretative bulletins to clarify
4 the meaning of any Federal manufactured home
5 construction and safety standard or procedural and
6 enforcement regulation. The consensus committee
7 may submit to the Secretary proposed interpretative
8 bulletins to clarify the meaning of any Federal man-
9 ufactured home construction and safety standard or
10 procedural and enforcement regulation.

11 “(2) REVIEW BY CONSENSUS COMMITTEE.—Be-
12 fore issuing a procedural or enforcement regulation
13 or an interpretative bulletin—

14 “(A) the Secretary shall—

15 “(i) submit the proposed procedural
16 or enforcement regulation or interpretative
17 bulletin to the consensus committee; and

18 “(ii) provide the consensus committee
19 with a period of 120 days to submit writ-
20 ten comments to the Secretary on the pro-
21 posed procedural or enforcement regulation
22 or the interpretative bulletin;

23 “(B) if the Secretary rejects any signifi-
24 cant comment provided by the consensus com-
25 mittee under subparagraph (A), the Secretary

1 shall provide a written explanation of the rea-
2 sons for the rejection to the consensus com-
3 mittee; and

4 “(C) following compliance with subpara-
5 graphs (A) and (B), the Secretary shall—

6 “(i) cause the proposed regulation or
7 interpretative bulletin and the consensus
8 committee’s written comments along with
9 the Secretary’s response thereto to be pub-
10 lished in the Federal Register; and

11 “(ii) provide an opportunity for public
12 comment in accordance with section 553 of
13 title 5, United States Code.

14 “(3) REQUIRED ACTION.—The Secretary shall
15 act on any proposed regulation or interpretative bul-
16 letin submitted by the consensus committee by ap-
17 proving or rejecting the proposal within 120 days
18 from the date the proposal is received by the Sec-
19 retary. The Secretary shall either—

20 “(A) approve the proposal and cause the
21 proposed regulation or interpretative bulletin to
22 be published for public comment in accordance
23 with section 553 of title 5, United States Code;
24 or

1 “(B) reject the proposed regulation or in-
2 terpretative bulletin and—

3 “(i) provide a written explanation of
4 the reasons for rejection to the consensus
5 committee; and

6 “(ii) cause the proposed regulation
7 and the written explanation for the rejec-
8 tion to be published in the Federal Reg-
9 ister.

10 “(4) EMERGENCY ORDERS.—If the Secretary
11 determines, in writing, that such action is necessary
12 in order to respond to an emergency which jeopard-
13 izes the public health or safety, or to address an
14 issue on which the Secretary determines that the
15 consensus committee has not made a timely rec-
16 ommendation, following a request by the Secretary,
17 the Secretary may issue an order that is not devel-
18 oped under the procedures set forth in subsection
19 (a) or in this subsection, if the Secretary—

20 “(A) provides to the consensus committee
21 a written description and sets forth the reasons
22 why emergency actions is necessary and all sup-
23 porting documentation; and

24 “(B) issues and publishes the order in the
25 Federal Register.

1 “(5) CHANGES.—Any statement of policies,
2 practices, or procedures relating to construction and
3 safety standards, regulations, inspections, moni-
4 toring, or other enforcement activities which con-
5 stitutes a statement of general or particular applica-
6 bility to implement, interpret, or prescribe law or
7 policy by the Secretary is subject to the provisions
8 of subsection (a) or (b) of this subsection. Any
9 change adopted in violation of the provisions of sub-
10 section (a) or (b) of this subsection is void.”;

11 (2) in subsection (d), by adding at the end the
12 following: “Federal preemption under this subsection
13 shall be broadly and liberally construed to ensure
14 that disparate State or local requirements or stand-
15 ards do not affect the uniformity and comprehen-
16 siveness of the standards promulgated hereunder nor
17 the Federal superintendence of the manufactured
18 housing industry as established by this title. There
19 is reserved to each State the right to establish
20 standards for the stabilizing and support systems of
21 manufactured homes sited within that State, and for
22 the foundations on which manufactured homes sited
23 within that State are installed, and the right to en-
24 force compliance with such standards, except that
25 such standards shall be consistent with the purposes

1 of this title and shall be consistent with the design
2 of the manufacturer.”;

3 (3) by striking subsection (e);

4 (4) in subsection (f), by striking the subsection
5 designation and all of the matter that precedes para-
6 graph (1) and inserting the following:

7 “(e) CONSIDERATIONS IN ESTABLISHING AND IN-
8 TERPRETING STANDARDS AND REGULATIONS.—The con-
9 sensus committee, in recommending standards, regula-
10 tions, and interpretations, and the Secretary, in estab-
11 lishing standards or regulations, or issuing interpretations
12 under this section, shall—”;

13 (5) by striking subsection (g);

14 (6) in the first sentence of subsection (j), by
15 striking “subsection (f)” and inserting “subsection
16 (e)”; and

17 (7) by redesignating subsections (h), (i), and
18 (j), as subsections (f), (g), and (h), respectively.

19 **SEC. 5. ABOLISHMENT OF NATIONAL MANUFACTURED**
20 **HOME ADVISORY COUNCIL.**

21 Section 605 (42 U.S.C. 5404) is repealed.

22 **SEC. 6. PUBLIC INFORMATION.**

23 Section 607 (42 U.S.C. 5406) is amended—

24 (1) in subsection (a)—

1 (A) by inserting “to the Secretary” after
 2 “submit”; and

3 (B) by adding at the end the following:
 4 “The Secretary shall submit such cost and
 5 other information to the consensus committee
 6 for evaluation.”;

7 (2) in subsection (d), by inserting “, the con-
 8 sensus committee,” after “public”; and

9 (3) by striking subsection (c) and redesignating
 10 subsections (d) and (e) as subsections (c) and (d),
 11 respectively.

12 **SEC. 7. RESEARCH, TESTING, DEVELOPMENT, AND TRAIN-**
 13 **ING.**

14 (a) IN GENERAL.—Section 608(a) (42 U.S.C.
 15 5407(a)) is amended—

16 (1) in paragraph (2), by striking “and” at the
 17 end;

18 (2) in paragraph (3), by striking the period at
 19 the end and inserting a semicolon; and

20 (3) by adding at the end the following:

21 “(4) encouraging the government-sponsored
 22 housing entities to actively develop and implement
 23 secondary market securitization programs for the
 24 FHA manufactured home loans and those of other
 25 loan programs, as appropriate, thereby promoting

1 the availability of affordable manufactured homes to
 2 increase homeownership for all people in the United
 3 States; and

4 “(5) reviewing the programs for FHA manufac-
 5 tured home loans and developing any changes to
 6 such programs to promote the affordability of manu-
 7 factured homes, including changes in loan terms,
 8 amortization periods, regulations, and procedures.”.

9 (b) DEFINITIONS.—Section 608 (42 U.S.C. 5407) is
 10 amended by adding at the end the following:

11 “(c) DEFINITIONS.—For purposes of this section, the
 12 following definitions shall apply:

13 “(1) GOVERNMENT-SPONSORED HOUSING ENTI-
 14 TIES.—The term ‘government-sponsored housing en-
 15 tities’ means the Government National Mortgage As-
 16 sociation of the Department of Housing and Urban
 17 Development, the Federal National Mortgage Asso-
 18 ciation, and the Federal Home Loan Mortgage Cor-
 19 poration.

20 “(2) FHA MANUFACTURED HOME LOAN.—The
 21 term ‘FHA manufactured home loan’ means a loan
 22 that—

23 “(A) is insured under title I of the Na-
 24 tional Housing Act and is made for the purpose
 25 of financing alterations, repairs, or improve-

ments on or in connection with an existing
 manufactured home, the purchase of a manu-
 factured home, the purchase of a manufactured
 home and a lot on which to place the home, or
 the purchase only of a lot on which to place a
 manufactured home; or

“(B) otherwise insured under the National
 Housing Act and made for or in connection
 with a manufactured home.”.

SEC. 8. FEES.

Section 620 (42 U.S.C. 5419) is amended to read as
 follows:

“AUTHORITY TO COLLECT FEE

“SEC. 620. (a) IN GENERAL.—In carrying out in-
 spections under this title, in developing standards and reg-
 ulations pursuant to section 604, and in facilitating the
 acceptance of the affordability and availability of manufac-
 tured housing within the Department, the Secretary
 may—

“(1) establish and collect from manufactured
 home manufacturers a reasonable fee, as may be
 necessary to offset the expenses incurred by the Sec-
 retary in connection with carrying out the respon-
 sibilities of the Secretary under this title,
 including—

1 “(A) conducting inspections and moni-
2 toring;

3 “(B) providing funding to States for the
4 administration and implementation of approved
5 State plans under section 623, including rea-
6 sonable funding for cooperative educational and
7 training programs designed to facilitate uniform
8 enforcement under this title, which funds may
9 be paid directly to the States or may be paid
10 or provided to any person or entity designated
11 to receive and disburse such funds by coopera-
12 tive agreements among participating States,
13 provided that such person or entity is not other-
14 wise an agent of the Secretary under this title;

15 “(C) providing the funding for a noncareer
16 administrator;

17 “(D) providing the funding for Federal
18 staff personnel for the manufactured housing
19 program, subject to subsection (e);

20 “(E) administering the consensus com-
21 mittee as set forth in section 604; and

22 “(F) facilitating the acceptance of the
23 quality, durability, safety, and affordability of
24 manufactured housing within the Department;
25 and

1 “(2) use amounts from any fee collected under
2 paragraph (1) to pay expenses referred to in para-
3 graph (1), which shall be exempt and separate from
4 any limitations on the Department of Housing and
5 Urban Development regarding full-time equivalent
6 positions and travel.

7 “(b) CONTRACTORS.—In using amounts from any fee
8 collected under this section, the Secretary shall ensure
9 that separate and independent contractors are retained to
10 carry out monitoring and inspection work and any other
11 work that may be delegated to a contractor under this
12 title.

13 “(c) PROHIBITED USE.—Amounts from any fee col-
14 lected under this section may not be used for any purpose
15 or activity not specifically authorized by this title, unless
16 such activity was already engaged in by the Secretary
17 prior to the date of enactment of this title.

18 “(d) MODIFICATION.—Beginning on the date of en-
19 actment of the Manufactured Housing Improvement Act,
20 the amount of any fee collected under this section may
21 only be modified—

22 “(1) as specifically authorized in advance in an
23 annual appropriations Act; and

24 “(2) pursuant to rulemaking in accordance with
25 section 553 of title 5, United States Code.

1 “(e) APPROPRIATION AND DEPOSIT OF FEES.—

2 “(1) IN GENERAL.—There is established in the
3 Treasury of the United States a fund to be known
4 as the ‘Manufactured Housing Fees Trust Fund’ for
5 deposit of amounts from any fee collected under this
6 section. Such amounts shall be held in trust for use
7 only as provided in this title.

8 “(2) APPROPRIATION.—Amounts from any fee
9 collected under this section shall be available for ex-
10 penditure only to the extent approved in advance in
11 an annual appropriations Act. Any change in the ex-
12 penditure of such amounts shall be specifically au-
13 thorized in advance in an annual appropriations
14 Act.”.

15 **SEC. 9. ELIMINATION OF ANNUAL REPORT REQUIREMENT.**

16 The National Manufactured Housing Construction
17 and Safety Standards Act of 1974 (42 U.S.C. 5401 et
18 seq.) is amended—

19 (1) by striking section 626 (42 U.S.C. 5425);
20 and

21 (2) by redesignating sections 627 and 628 (42
22 U.S.C. 5426, 5401 note) as sections 626 and 627,
23 respectively.

1 **SEC. 10. EFFECTIVE DATE.**

2 The amendments made by this Act shall take effect
3 on the date of enactment of this Act, except that the
4 amendments shall have no effect on any order or interpre-
5 tative bulletin that is published as a proposed rule pursu-
6 ant to section 553 of title 5, United States Code, on or
7 before such date.

8 **SEC. 11. SAVINGS PROVISION.**

9 (a) STANDARDS AND REGULATIONS.—The Federal
10 manufactured home construction and safety standards (as
11 such term is defined in section 603 of the National Manu-
12 factured Housing Construction and Safety Standards Act
13 of 1974) and all regulations pertaining thereto in effect
14 immediately before the date of enactment of this Act shall
15 apply until the effective date of a standard or regulation
16 modifying or superseding the existing standard or regula-
17 tion which is promulgated under subsection (a) or (b) of
18 section 604 of the National Manufactured Housing Con-
19 struction and Safety Standards Act of 1974, as amended
20 by this Act.

21 (b) CONTRACTS.—Any contract awarded pursuant to
22 a Request for Proposal issued before the date of enact-
23 ment of this Act shall remain in effect for a period of 2
24 years from the date of enactment of this Act or for the

- 1 remainder of the contract term, whichever period is short-
- 2 er.

